
Digital Marketing Communication Strategies: The Case of Indonesian News' Portals

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Nindyta Aisyah Dwityas¹, Ahmad Mulyana², Sri Hesti³,
Rizki Briandana⁴, Putrianti Mungi Kurniasari⁵

Abstract:

Purpose: The purpose of this study is to investigate the implementation of digital marketing communication strategy employed by Kompas Media Nusantara the Indonesian biggest news company in increasing the number of paid news portal users for Kompas.id.

Design/Methodology/Approach: The methodology used a case study by adopting the qualitative approach through an in-depth interview.

Findings: The results of the study concluded that the main direction of digital marketing communication strategy for Kompas.id in the year 2019 was 'objective focused'.

Practical Implications: This study implies to promoting the digital aspects that did not only appear in the communication mix but in the whole process of the implementation for the Kompas.id digital marketing communication strategy. The stages are setting digital marketing communication objective, identifying the target audience, designing digital marketing communication plan, deciding digital communication channel and tools, determining the total budget, and finally measuring the results of the whole digital marketing communication process.

Originality/Value: The results revealed a model of digital marketing communication strategy implemented by paid mass media businesses in Indonesia. The object of research is one of the largest media companies in Indonesia, which first implemented a subscription system for its customers.

Keywords: Digital marcomm strategy, media online, paid users, Indonesian news portal.

JEL classification: D8, M31, M31, M37.

Paper Type: Research article.

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¹Fakultas Ilmu Komunikasi, Universitas Mercu Buana Jakarta,
e-mail: nindyta.asiyah@mercubuana.ac.id

²Magister Ilmu Komunikasi, Universitas Mercu Buana Jakarta,
e-mail: ahmad.mulyana@mercubuana.ac.id

³As in 1, e-mail: sri.hesti@mercubuana.ac.id

⁴As in 1, e-mail: rizki.briandana@mercubuana.ac.id

⁵As in 1, e-mail: mungiptr@gmail.com

1. Introduction

The online media industry is considered as one of the lucrative business opportunities. In Indonesia, 143 million individuals are discovered to be internet users out of the 262 million Indonesian total population. In addition, a total of 55% of them are able to access the article service. The number of online media users in Indonesia will probably continue to increase, thus leading to the rapid growth of the online media industry in Indonesia (Dwityas, Briandana, and Aulia, 2020; Sukmayadi, 2019).

As a result, this has created challenges for the print media industry in recent years, especially the newspapers (Johansson, 2016; Tapsell, 2015). The decline of the era of newspapers in Indonesia is marked by the decline in advertising revenue as well as the number of customers, particularly concerning the youth (Johansson, 2016). Regarding this matter, it is undeniable that youth prefer to access news and information from the internet and watch television rather than reading newspapers (Pangestu and Dewi, 2017; Royle and Laing, 2014).

On a similar note, it is important to understand that the characteristics of a newspaper audience revolve around the regeneration of the reader (Krumsvik, 2018). According to what has been observed in this era, the next generation of audiences may lead a digital life and not be familiar with print newspapers (Smith, 2011; Tapsell and Jurriens, 2017). Hence, the newspaper audience will decrease if there is no regeneration of reader. Therefore, there is an urgent need for the newspaper industry to make adjustments to prevent it from closing down (Flew, 2011; Jurriens and Tapsell, 2017; Pandrianto, 2019).

Accordingly, as the publisher of Kompas newspaper, there is no exception for Kompas Media Nusantara from making the necessary adjustments. In early 2017, Kompas Media Nusantara released Kompas.id which is a paid news portal in Indonesia (digital news subscription) from Kompas Daily as a means of providing information and online shopping services (Pandrianto, 2019). However, it is important to note that Kompas.id requires readers to pay a certain amount of rupiah to access the available news unlike most online news portals which provide free access to all readers. As a result, the marketing team of Kompas Media Nusantara is required to take a reasonable approach to tackle this issue in promoting Kompas.id.

Regarding the above matter, Kompas Media Nusantara has conducted several marketing communication mix activities including advertising, sales promotion, direct marketing, personal selling, and events (Molaei, 2015). According to the Marketing Strategic Manager of Kompas Media Nusantara, the most common way of delivering marketing communication messages is through digital media. Following the explanation above, Kompas Media Nusantara has attempted to introduce and promote itself as part of an effort in increasing the number of paid users of Kompas.id. Accordingly, this has proven that they have adopted various

types of the marketing communication mix, especially digital ones. Apart from providing information about the company's products to a wider target market, the utilization of various kinds of marketing communications mix can also facilitate the dissemination of information about different activities related to the company to ensure that more individuals will find out and become interested in subscribing to Kompas.id.

As a result, this has led the researchers to conduct further investigation on the marketing communication strategies. In particular, the current research will focus on the utilization of digital media carried out by Kompas Media Nusantara in increasing the number of paid news portal users of Kompas.id.

More importantly, the researchers aim to investigate the implementation of digital marketing communication strategy employed by Kompas Media Nusantara in increasing the number of paid news portal users for Kompas.id. The main objectives are to identify the target audience, determine the purpose of communication, design communication, choose channels communication, set the total budget, decide the mix of digital marketing communications, and measure the results of communication.

2. Conceptual Framework of the Study

2.1 Digital Marketing Communication to Promote Mass Media

The development of the internet has required companies to deal with the utilization of various digital media options, followed by their role in marketing communication programs, as well as some of the advantages and disadvantages associated with digital media (Doktoralina, Bahari, Hassan, Ismail, and Mardiyah, 2020; Hassan and Dadwal, 2018). Hence, it is necessary for marketers to rethink about their marketing communication programs (Crittenden and Crittenden, 2015). According to Richards and Marshall (2019) the marketing communication activities that can be carried out using the internet are advertising, face-to-face sales, sales promotions, public relations and direct marketing.

Regarding the advertising on the internet, a company must consider the suitable media that can be used in advertising a product because it acts as a channel to deliver advertising messages; for example, television, magazines, outdoor space, and others. Similar to broadcasting and printing, the internet can be considered as a platform for advertising. Moreover, it is important to note that advertising on the internet can be divided into various forms; for example, display advertisements which include banners, sponsorships, pop-ups or pop-unders, interstitials, paid searches, behavioural targeting, contextual ads, and rich media (Richards and Marshall, 2019).

Furthermore, face-to-face sales on the internet is a strong online presence must be

built to ensure that a company can increase its effectiveness. Regarding this matter, websites have been used quite effectively to increase and support sales efforts. A website can provide a lot of information about the company's products and services; hence, this demonstrates how the internet has been utilised by the companies in improving their relationships with customers. Apart from that, the use of internet by companies enable customers to learn more about what is offered considering that more information are provided in a more timely and efficient way. Overall, this increases cross-selling and customer retention opportunities (Richards and Marshall, 2019).

Moreover, direct marketing on the internet can be observed from two perspectives which are communication and e-commerce purposes. In this essence, various direct marketing tools such as e-mail and infocomercials have been adapted to the internet. However, it is also important to note that e-commerce - direct sales to consumers via the internet - has become a separate industry (Richards and Marshall, 2019).

As well as the dynamic in media industry, subscription fees are an increasingly prominent source of income for news companies considering how it challenges advertising as the main source of income (Flew, 2011; Pandrianto, 2019). However, the main concern is how do news publishers convince readers to pay when most news is available online for free? The success or failure of a mass media company in promoting its products is dependent on how the company communicates with its customers (Krumsvik, 2018). For example, marketing communication messages from mass media companies can be delivered to consumers using a variety of media, both conventional and digital media (Tiago and Veríssimo, 2014). Furthermore, these messages are mixed using the elements of marketing communication which are considered important, followed by the current technological developments to ensure that the needs of companies are met in dealing with the rapid increase of fierce business competition (Mulhern, 2009).

3. Method

The present study adopted a post-positivistic paradigm that demands the unification of the research subject with the object being studied as well as its supporting subjects. The purpose of selecting this paradigm is due to its ability of guiding researchers to collect various realities as well as categorize them according to the research framework.

The design of the current research is conducted in the form of a case study that examines one case intensively as well as can be carried out on individuals or groups (Merriam and Tisdell, 2016). Accordingly, it should be understood that a case study research may produce explanatory statements (Yin, 2006). The current research selected the case study method for the purpose of attaining a detailed information on digital marketing communication strategy managed by Kompas Media Nusantara to observe the increase in the number of Kompas.id paid users in the year 2019.

The subject of the current research is an internal party of Kompas Media Nusantara which acts as a competent informant that provides a detailed explanation about the research topic. Specifically, the informants are Kompas Media Nusantara's Marketing Strategic Manager, Marketing Research and Insight, Strategic Planner, and Content Creative Marketing.

The primary data collection technique of the present study is in-depth structured interviews which are carried out on the informants or research sources. In particular, the interview questions were developed based on the research instruments obtained from existing theories. Next, the secondary data was obtained through intermediary media or indirectly from informants. Generally, it is important to note that secondary data can be in the form of literature studies, photo documentation, articles, relevant internet media, and official journals or documents.

4. Result and Discussion

The implementation process of digital marketing communication strategy for Kompas.id in the year 2019 started by establishing several objectives. According to the data obtained from the interviews, the goal of digital marketing communication that must be achieved is to increase the number of paid users for Kompas.id. In this case, the purpose is to reach the purchasing stage if a hierarchical model of influence is achieved. More importantly, at least the previous objectives (awareness, knowledge, likes, preferences, and beliefs) may also be reached when the purchase stage has been attained.

Accordingly, the first step is to identify the target audience for digital marketing communications. In the case of Kompas.id, the results of the interview stated that the process of identifying the target audience starts by processing the data of previous Kompas.id customers. More importantly, they were specifically grouped by age and the consumption habits based on the Kompas.id rubric, followed by their personality, nature, and how they make a decision using the buyer concept method persona. In addition, it is important to note the three categories of target audiences for digital marketing communication, namely students, rising stars, and authorities. Regarding this matter, it should be understood that the results of the identification of the target audience of digital marketing communication tend to affect the decision of the communicator (in this case Kompas management) as shown bellow:

"If we have identified our target audience, then all kinds of our communication will be better targeted anyway. Then in terms of cost is also more efficient" (Personal Communication). "Our target audience for communication is based on existing paid users. The data of paid users is carefully examined using Google Analytics to find out their demographics and habits in consuming Kompas.id. From there we divided the three age groups, 18-24 years, 25-40 years, and 40 years and above. From there met the three personas. There are three classes of customers" (Personal Communication).

Furthermore, the interview results revealed that the target market and Kompas.id target audience are the same. However, the difference that should be noted is the form of sales which is business-to-customer (B2C) rather than business-to-business (B2B). Hence, the communication is not only aimed at the target audience of the digital marketing communication but also directly to the user when carrying out the Kompas.id digital marketing communication strategy. The Marketing Strategic Manager states:

"The target audience and market are the same. So, those three categories of the audience are all people who buy and use them. Isn't it B2C? Now when B2B is different. In B2B, the concept is that people buy for others. If it's like that, you can say it's different" (Personal Communication).

Second, the design of digital marketing communications that target fictional buyer persona that has been determined as the target audience. In particular, this communication design was created using the brand script concept. Generally, it should be noted that brandscript is a seven-part concept framework from StoryBrand that helps to clarify messages in a simple format which assists the target audience to understand what is being offered as following:

"Brandscript is simply how we determine who we want to talk to, then we find out what that person's soft spot is. What are his fears, what are his ideals, what are his desires? What do we want to bring up that can be helped with Kompas.id. Then we design the text or narration. So the message is specially designed." (Personal Communication).

The third step is to decide the digital marketing communication mix that will be used. The aim is to obtain efficiency and effectiveness by replacing or integrating the marketing communication mix in promoting products. In this case, the digital marketing communication mix used is advertising, sales promotion, direct marketing, and events on online or digital platforms as:

"In the past, we still used it for campaign branding. For now, use Kompas itself as a communicator to deliver the communication message that has been designed according to what was intended." (Personal Communication).

The results of the interview revealed that digital advertising is conducted in the form of a display ad. In practice, there is a possibility of directing internet users to find out or visit the advertising website even if the ad is not clicked by the target audience. In addition, this is in line with the objectives of digital marketing communication discussed earlier. More importantly, at least the previous stage (awareness, knowledge, likes, preferences, and beliefs) has been reached when the purchasing stage is achieved.

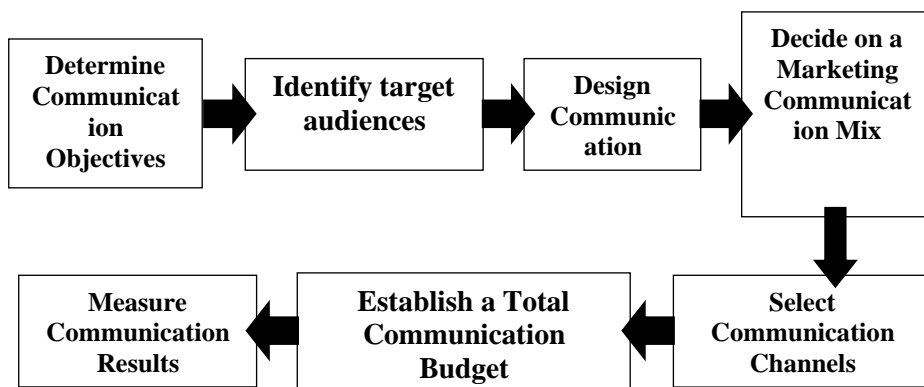
Other than display ad, another form of digital advertising is social media ad which is

carried out based on profiling. In particular, the purpose of profiling is to track the presence of target audiences based on their profile (biodata) shown on social media which include gender, age, residence, work, education as well as their interests (Dwityas and Briandana, 2017). Therefore, it would be better if the method of profiling is combined with digital advertising because it will enable the target audience to be targeted based on the specific content accessed by the target audience (Tapsell, 2015).

The final stage refers to the measurement of the results of digital marketing communications. The points of concern in this measurement does not only involve the number of transactions but also the level of exposure such as impression rate and click rate. The follow up of the results of digital marketing communication measurement can be used as an evaluation material that acts a reference for further digital marketing communication activities.

Referring to the explanation above, the research findings can be described based on the linear strategy models shown in Figure 1:

Figure 1. Kompas.id's Strategy Model



Source: Own research.

The model above briefly describes the strategy carried out by Kompas management in developing Kompas.id digital marketing communication in the year 2019. Specifically, the aim is to identify the target audiences of digital marketing communication, digital marketing communication design, digital marketing communication mix and channels, and the total marketing communication budget. In this case, the digital format is formulated based on the objectives which can be achieved based on the measurement results of the digital marketing communication (Jurriëns and Tapsell, 2017).

However, the findings of the present study showed that the process of digital marketing communication strategy for Kompas.id is not in line with the goals set by top-level management. In other words, efforts must be made to achieve that goal

which starts by identifying the target audience of digital marketing communication, designing digital marketing communication, deciding the mix and channel of digital marketing communication, determining the total budget for digital marketing communication, and finally measuring the results of digital marketing communication. Overall, this demonstrates the gap between the findings of research with the theory of Kotler *et al.* (2016) that was used as a reference for the current research.

5. Conclusion and Recommendations

Based on the analysis it can be concluded that the main direction of digital marketing communication strategy for Kompas.id in the year 2019 was objectively focused. As previously mentioned, the digital aspect does not only emerge in determining the communication mix but in the overall stages of the communication strategy implemented by the digital marketing of Kompas.id.

Based on the limitation of the research, the future studies should focus on, different research objects such as other media. Especially, media that implements digital news subscription business models or those on a regional scale and the digital marketing communication models that can be applied on various types of products or services. More importantly, the findings will benefit those who implement digital news subscription business models in carrying out their digital marketing communication strategies.

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